

## Supreme People's Assembly of DPRK Emphasizes on Economic Modernization to Improve the Lives of North Koreans

On April 7, 2011, the fourth session of the 12th Supreme People's Assembly of the DPRK was held at the Mansudae Assembly Hall. At the session, Deputy Choe Yong Rim, premier of the DPRK, reported on the "Work of the DPRK Cabinet in 2010 and its tasks for 2011."

The main tasks for this year stated by Premier Choe included increasing the production of consumer goods and realizing the goal of grain production in order to improve the standard of living for the people of North Korea. He also advised that production should be increased in all sectors of the economy while steadily pushing towards modernization of the national economy.

The Cabinet placed emphasis on last year's achievements in the light industry and agricultural production while stressing the importance of modernizing consumer goods production and the development of science and technology as the goal of this year.

In addition, Choe highlighted, "production in all sectors of the national economy including the four pilot sectors must be increased to support the ongoing march to improve the standard of people's living."

Specific improvements in the four pilot sectors were mentioned, with plans to "operate all generating power equipment in full capacity while forming a system of transmission and distribution to make the most effective use of the electricity produced." Additional focus was placed on calling for national efforts to reach the goal of electricity production through the construction of the Huichon Power Station and building other large-scale hydro and thermal power plants.

The Cabinet also stressed on diversifying trade and promised to "work towards the improvement of the DPRK's socialist self-supporting economy by actively seeking out projects that effectively incorporate economic and technological cooperation."

In evaluating the previous year's accomplishments, Choe declared, "The most significant achievement in economic development was the progress made in placing national economy in line with Juche ideology."

Other achievements mentioned were: 1) the inter-departmental structure of the metal industry was revamped and the Juche iron production system was successfully established at major metal plants as well as new alloy steel production bases; 2) large chemical industrial centers were updated to the latest technology to bring about the mass production of Juche fiber and fertilizers; 3) the coal production capacity increased and the construction of hydropower stations was completed to add to the power generating capacity. The construction of Huichon Power Station is making rapid progress for completion by 2012; and lastly 4) strong foundation was laid to bring about a huge development in the light industry and agriculture production.

Lastly, Choe praised the development in the science and technology sector for adopting CNC (computer numerical control) system in all sectors of the national economy and scientific research in IT and biotechnology.

Deputy Pak Su Gil, vice-premier and Minister of Finance presented the state budget for 2010 and 2011. He expected the state budgetary revenue to grow 7.5 percent and the expenditure is expected to grow 8.9 percent against the previous year. The state budget allocation is focused on strengthening the light and agriculture industries and improving the national economy by bringing state-of-art technologies in all sectors.

The expected state budgetary revenue is 83.9 percent of the total state budgetary revenue and local budgetary revenue is at 16.1 percent. The revenue from transaction and the profits of state-run enterprises are expected to hold 78.5 percent of the total state budgetary revenue this year and the profits of cooperative organizations, the fixed asset depreciation, the income from real estate rent and social insurance are expected to rise 3.8 percent, 1.4 percent, 0.7 percent and 0.4 percent respectively as compared with those of last year.

The current year's plan for state budgetary expenditure is expected to show an 8.9 percent increase over last year. The budgetary allocation for the light industry is expected to climb 12.9 percent and a large amount is also expected to be distributed to the local industry.

The budgetary expenditure by category compared to the previous year is as follows: 1) 9 percent more funds will go into agriculture; 2) funds needed for farming will be provided on a priority basis and the expenditure for the basic industries of the national economy is expected to go up 13.5 percent; 3) the financial allocation for the capital construction will go up 15.1 percent; 4) 10.1 percent increase will be made for scientific and technological development.

Especially in the science and technology sector, emphasis is being placed on fulfilling the five-year plan of modernizing and building an economic power and successful implementation of CNC system.

Lastly, 15.8 percent of the total expenditure is expected to be spent on national defense.